

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

D.T.E. NO. 01-20

RECORD REQUEST: Department of Telecommunications and Energy to AT&T  
Communications of New England, Inc.

DATE: January 18, 2002

RR-DTE-22 Regarding Verizon's December 17, 2001 adjustment of its Dedicated Inside Plant (DIP) Factor to 33%, please comment on whether this adjustment to Verizon's NRC Cost Summary properly flowed through to the inputs and assumptions underlying the overall cost.

Respondent: Richard J. Walsh

RESPONSE: Verizon's attempt to correct this defect within their NRCM still fails to produce accurate and reasonable non-recurring charges with regard to UNE-P provisioning.

Many of the worksheets, individual work tasks, typical occurrence factors and forward-looking adjustments relevant to UNE-P provisioning remain unmodified and appear in direct conflict to Verizon's new DIP factor. Verizon's only change to the revised NRCM was on the Cost Summary Worksheet (exhibit H) which reflected a 33% discount to the "Two Wire Analog-Digital UNE-P New" (Initial and Additional) element.

Furthermore, the CO FRAME work tasks that remain in the VZ-MA NRCM reflect a much higher percentage of DIP creation, which contradicts the DIP percentage Verizon used to discount the UNE-P. As an example, the calculations used in the disconnect portion of the "Two Wire Analog-Digital Conversion UNE-P" (Initial and Additional) reflect no "CO Frame" nor "RCCC" involvement. This suggests that all cross-wires would remain intact upon disconnect and therefore produce a DIP percentage much higher than the stated 33%.

In addition, the underlying worksheets Verizon relied upon to model the manual tasks for UNE-P provisioning still reflect the connection of a Verizon loop to a CLEC port (which is an UNE-Loop, not a UNE-P) and therefore remain incorrect. Because the connection for UNE-P is the

same as the connection routinely done for Verizon retail service, Verizon's technicians should be very efficient at making such connections. Verizon's failure to ask survey respondents about this task demonstrates that it has failed to meet its burden to establish its costs with respect to UNE-P nonrecurring charges.